

Please note: These transcripts are not individually reviewed and approved for accuracy.

BEFORE THE
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
ADMINISTRATION COMMITTEE

IN THE MATTER OF THE:)
)
ADMINISTRATION)
COMMITTEE MEETING)
_____)

DATE AND TIME: TUESDAY, JANUARY 6, 1998
1:30 P.M.

PLACE: BOARD HEARING ROOM
8800 CAL CENTER DRIVE
SACRAMENTO, CALIFORNIA

REPORTER: BETH C. DRAIN, RPR, CSR
CERTIFICATE NO. 7152

BRS FILE NO.: 43985

APPEARANCES

MR. DANIEL PENNINGTON, CHAIRMAN
MS. JANET GOTCH, MEMBER
MR. STEVEN R. JONES, MEMBER

PRESENT

MR. RALPH CHANDLER, EXECUTIVE DIRECTOR MR.
KEITH SMITH, DEPUTY DIRECTOR
MR. ELLIOT BLOCK, LEGAL COUNSEL
MS. MARLENE KELLY, COMMITTEE SECRETARY

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1 SACRAMENTO, CALIFORNIA; TUESDAY, JANUARY 6, 1998

2 1:30 P.M.

3

4 CHAIRMAN PENNINGTON: WOULD THE SECRETARY PLEASE
5 CALL THE ROLL.

6 THE SECRETARY: MEMBER GOTCH.

7 MEMBER GOTCH: HERE.

8 THE SECRETARY: JONES.

9 MEMBER JONES: HERE.

10 THE SECRETARY: CHAIRMAN PENNINGTON.

11 CHAIRMAN PENNINGTON: HERE. WE HAVE A QUORUM.

12 BEFORE WE START THE EX PARTES, I'D LIKE TO POINT OUT TO
13 EVERYONE THAT THE COMMITTEE MEETING TODAY IS BEING
14 VIDEOTAPED BECAUSE WE DID NOT GET OUR REQUEST IN FOR THE
15 COURT REPORTER SOON ENOUGH, SO WE'RE GOING TO VIDEOTAPE IT.
16 SO IF YOU ADDRESSES US, WILL YOU PLEASE IDENTIFY YOURSELF
17 SO THAT WE'LL HAVE IT ON CAMERA? THANK YOU.

18 DO ANY COMMITTEE MEMBERS HAVE ANY EX PARTES?
19 WE'LL START WITH YOU, MRS. GOTCH.

20 MEMBER GOTCH: I THINK WE'VE ALL RECEIVED THESE
21 LETTERS. THERE'S A LETTER FROM DENISE DELMATIER, KELLY
22 ASTOR, AND JOSH PENAY REGARDING THIS WORKSHOP TODAY DATED
23 JANUARY 6TH, THE LETTER IS. ANOTHER LETTER FROM WMX, KENT
24 STODDARD AND CHUCK WHITE, REGARDING THIS ITEM. AND
25 FINALLY, A SECOND LETTER -- OR EXCUSE ME -- ANOTHER LETTER

1 FROM BFI FROM MARK APREA AND MARK LEARY REGARDING THIS ITEM
2 TODAY.

3 CHAIRMAN PENNINGTON: OKAY. MR. JONES.

4 MEMBER JONES: THE SAME AS WHAT MRS. GOTCH JUST
5 SAID, AND THEN I JUST RECEIVED ONE FROM EAGLE MOUNTAIN AND
6 SACRAMENTO ADVOCATES. AND THEN DIDN'T TALK ANY BUSINESS,
7 BUT SAID HELLO TO A LOT OF FOLKS OUT IN THE AUDIENCE THERE,
8 BUT I DON'T THINK WE TALKED ABOUT ANY ITEMS OTHER THAN A
9 HELLO.

10 CHAIRMAN PENNINGTON: OKAY. I THINK I HAVE ALL OF
11 THE SAME LETTERS, THE WASTE MANAGEMENT LETTER, THE BFI
12 LETTER, THE SACRAMENTO ADVOCATES LETTER, THE EAGLE MOUNTAIN
13 LETTER, SO I THINK THAT COVERS IT. AND I DID SPEAK WITH
14 YVONNE HUNTER, MARK APREA, AND KELLY ASTOR.

15 AS A REMINDER, ANY PERSON WHO WISHES TO
16 ADDRESS THE COMMITTEE TODAY, THERE ARE SIGN-IN
17 SHEETS -- SPEAKER REQUEST FORMS IN THE BACK. IF YOU WILL
18 FILL ONE OUT AND GIVE IT TO MS. KELLY, WE'LL BE HAPPY
19 TO -- BE HAPPY TO HEAR FROM YOU.

20 LET'S SEE. MOVE OVER HERE TO AGENDA ITEM NO.
21 1 AND ONLY ITEM ON THE COMMITTEE AGENDA TODAY, WHICH IS THE
22 DISCUSSION OF A FUTURE BOARD WORKSHOP CONCERNING THE POINT
23 OF COLLECTION OF THE INTEGRATED WASTE MANAGEMENT FEE.

24 BEFORE WE HAVE STAFF PRESENTATION, I'D LIKE
25 TO SAY A FEW WORDS ABOUT THE REASON THE BOARD HAS ASKED

1 THAT THIS ITEM BE BROUGHT FORWARD.

2 OVER THE PAST FEW YEARS, THERE HAS BEEN A
3 GROWING CONCERN OVER THE IMPACT OF JURISDICTIONS THROUGHOUT
4 CALIFORNIA EXPORTING WASTE OUT-OF-STATE. THERE HAVE BEEN A
5 VARIETY OF REASONS FOR WASTE EXPORTING, INCLUDING COST,
6 TRANSPORTATION, SAFETY, LACK OF LOCAL FACILITIES. BASED ON
7 THE CURRENT SYSTEM FOR FEE COLLECTION TO FUND PROGRAMS THAT
8 SUPPORT THE STATE'S 50-PERCENT DIVERSION GOAL, EXPORTING OF
9 CALIFORNIA WASTE HAS CREATED AN EQUITY ISSUE THAT THE BOARD
10 MUST CONSIDER.

11 IN ORDER TO COME TO A MORE EQUITABLE WAY TO
12 COLLECT FEES AND DISTRIBUTE PROGRAM FUNDS, WE ARE ASKING
13 FOR THE INPUT OF ALL INTERESTED PARTIES, THAT THIS IS THE
14 FIRST STEP IN OUR INFORMATION GATHERING EFFORT. I'D LIKE
15 TO ASK THAT YOUR TESTIMONY TODAY BE FOCUSED ON POINTS TO BE
16 COVERED AND DISCUSSED IN THE WORKSHOP. I WANT TO THANK YOU
17 ALL FOR BEING HERE AND PARTICIPATING IN THIS. I KNOW THAT
18 THE BOARD IS ANXIOUS TO HEAR WHAT YOU HAVE TO SAY AND TO
19 GET ON WITH PUTTING A WORKSHOP TOGETHER AND MAYBE COMING TO
20 SOME CONCLUSIONS AND EFFORTS TO ALLEVIATE SOME OF THESE
21 PROBLEMS.

22 WITH THAT SAID, I'LL TURN IT OVER TO RUBIA
23 PACKARD.

24 MS. PACKARD: GOOD AFTERNOON, MR. CHAIRMAN AND

25 BOARD MEMBERS. TODAY'S ITEM IS PRIMARILY -- WE ARE
6

1 PRIMARILY HERE, AS YOU SAID, TO LISTEN TO INPUT FROM ALL
OF

2 THE INTERESTED PARTIES ON THE ISSUES OF FEE COLLECTION.
SO

3 MAUREEN GOODALL OF THE POLICY OFFICE WILL BE MAKING A
SHORT

4 PRESENTATION, UPDATING THE BOARD MEMBERS ON THE CURRENT
5 STATUS OF WASTE EXPORT; AND THEN AFTER THAT, WE WILL
FOCUS

6 ON THOSE ISSUE AREAS THAT YOU'VE IDENTIFIED TO US THAT
YOU

7 WOULD LIKE SOME INPUT ON. SO MAUREEN WILL PRESENT THE
8 ITEM.

9 MS. GOODALL: GOOD AFTERNOON. TODAY I'M GOING
TO

10 START OFF WITH THE UPDATE ON YOUR WASTE EXPORT. SINCE
THIS

11 WAS LAST ADDRESSED IN JUNE OF '97, THERE HAS BEEN NO
12 ACTIVITY IN THE LEGISLATURE -- NO ACTIVITY ON FEDERAL
13 BILLS, AND I JUST WANTED TO UPDATE YOU ON THAT.

14 WE DID HAVE SOME MINOR CHANGES IN THE
LATEST

15 SURVEY THAT I DID TO ALL THE JURISDICTIONS. AMADOR
COUNTY

16 INDICATED THAT THEY HAVE STOPPED EXPORTING THEIR WASTE,
AND
17 THAT WOULD BE PRIMARILY BECAUSE OF CONVENIENCE. THEY
FOUND
18 IT WAS EASIER TO GO TO OTHER LANDFILLS IN THE STATE
RATHER
19 THAN OUT OF THE STATE, AND IT SEEMS TO BE A LITTLE BIT
20 CHEAPER. THEY'VE DISCOVERED OVER THE PAST TIME PERIOD
THAT
21 THE COST PER MILE IS MORE EXPENSIVE TO GO OVER THE HILL
22 THAN IT IS TO GO WITHIN CALIFORNIA, AND THEY HADN'T
23 CONSIDERED THAT PREVIOUSLY. SO FOR THE TIME BEING
THEY'RE
24 DISPOSING IN STATE. SO THAT NOW WE ONLY HAVE 11 COUNTIES
25 THAT ARE EXPORTING.

1 FOR FISCAL YEAR '96-'97, THAT AMOUNTED TO
2 APPROXIMATELY 480,000 TONS THAT WERE EXPORTED OUTSIDE THE
3 STATE OF CALIFORNIA, AND THAT AMOUNTS TO APPROXIMATE LOST
4 REVENUE OF \$643,500.

5 THE EXPORT IS APPROXIMATELY 1.4 PERCENT OF
6 THE TOTAL WASTE, SO THAT IS ULTIMATELY DISPOSED SOMEPLACE
7 WHETHER IT'S IN STATE OR OUTSIDE THE STATE FOR THAT SAME
8 FISCAL YEAR, '96-'97.

9 THE COMMITTEE TOPICS THAT WE WOULD LIKE TO
10 HEAR FROM THE PUBLIC ON TODAY ARE -- INCLUDE POTENTIAL
11 IMPACTS OF WASTE EXPORT, COMPETITIVE ADVANTAGE AND
12 DISADVANTAGE ISSUES WITH REGARD TO THE INTEGRATED WASTE
13 MANAGEMENT FEE, TECHNICAL AND LEGAL IMPLICATIONS OF THE FEE
14 STRUCTURE REVISION, ALTERNATIVE METHODS TO COLLECT THE FEE,
15 AND ALSO METHODS USED BY OTHER STATES TO COLLECT THE FEE.
16 WE'D ALSO LIKE TO HEAR FROM THE PUBLIC IF THEY HAVE ANY
17 IDEAS ABOUT WHERE THE FEE SHOULD BE COLLECTED OTHER THAN
18 WHAT WE'RE CURRENTLY DOING NOW, WHICH IS AT THE LANDFILL.

19 AND SO TODAY THE OPTIONS BEFORE THE COMMITTEE
20 ARE TO DIRECT STAFF TO PLAN A WORKSHOP CENTERED AROUND THE
21 POINT OF COLLECTION OF THE INTEGRATED WASTE MANAGEMENT FEE,
22 TAKING INTO CONSIDERATION WHAT WE HEAR TODAY, AND ALSO IF
23 YOU WOULD LIKE TO DIRECT STAFF TO FURTHER EXAMINE THE FEE
24 IMPACTS OF OUT-OF-STATE WASTE EXPORT AND PROVIDE POSSIBLE
25 OPTIONS TO ADDRESS IMPACTS OF THAT WASTE EXPORT, AND ALSO

1 TO HEAR PERIODIC UPDATES ON THIS ISSUE. AND THAT'S IT FOR
2 TODAY.

3 CHAIRMAN PENNINGTON: OKAY. THANK YOU. QUESTIONS
4 OF STAFF, MRS. GOTCH?

5 MEMBER GOTCH: NO.

6 CHAIRMAN PENNINGTON: MR. JONES. OKAY. LET'S GET
7 RIGHT INTO THE PUBLIC PARTICIPATION HERE. DENISE
8 DELMATIER.

9 MS. DELMATIER: GOOD AFTERNOON, MR. CHAIRMAN AND
10 MEMBERS OF THE COMMITTEE. MY NAME IS DENISE DELMATIER WITH
11 THE GUALCO GROUP ON BEHALF OF NORCAL WASTE SYSTEMS. THANK
12 YOU VERY MUCH FOR ACCOMMODATING THE REQUEST TO HAVE THIS
13 HEARING AND TO MOVE FORWARD WITH A POSSIBLE WORKSHOP.
14 THESE, OF COURSE, ARE VERY IMPORTANT ISSUES TO BOTH THE
15 PUBLIC AND THE PRIVATE WASTE INDUSTRY. AND I THINK BY THE
16 ATTENDANCE HERE THIS AFTERNOON BY MANY OF THE USUAL
17 PLAYERS, BUT ALSO SOME ADDITIONAL PLAYERS, REPRESENTATIVES
18 OF BOTH PUBLIC AND PRIVATE COMPANIES, INDICATES JUST HOW
19 IMPORTANT THIS ISSUE IS.

20 WE, OF COURSE, HAVE BEEN EXPERIENCING IN
21 PRIVATE INDUSTRY SOME INCREASE IN THE MARKETING BY
22 OUT-OF-STATE COMPANIES FOR CALIFORNIA STATE SOLID WASTE,
23 BOTH HAULING AND TRANSFER AND ALL ASPECTS OF SOLID WASTE
24 BUSINESS IN THIS STATE, AND WE HAVE EXPERIENCED THAT THE
25 DIRECT MARKETING FROM OUT-OF-STATE COMPANIES HAS HAD AN

1 IMPACT AS FAR AS THE ABILITY TO COMPETE FOR IN-STATE
2 BUSINESS ON A LEVEL PLAYING FIELD.

3 OBVIOUSLY, ONE, CALIFORNIA COMPANIES ARE
4 PAYING HIGHER COSTS TO THE WASTE BOARD FOR THE ABILITY TO
5 DO BUSINESS IN THE STATE; I.E., THE INTEGRATED WASTE
6 MANAGEMENT FEE, AS WELL AS THE HIGH COST OF DOING BUSINESS,
7 AS WE'VE INDICATED IN OUR LETTER TO YOU, OTHER FACTORS THAT
8 THE BOARD ITSELF MAY NOT HAVE CONTROL OVER OR BE ABLE TO
9 ADDRESS, BUT THOSE FACTORS INCLUDE SUCH THINGS AS LABOR
10 COSTS, SUCH THINGS AS THE HIGH COST OF LAND VALUES IN
11 CALIFORNIA, SUCH THINGS AS THE TAX RATES IN CALIFORNIA, THE
12 ABILITY TO SITE FACILITIES IN CALIFORNIA, THE PLANNING
13 REQUIREMENTS IN CALIFORNIA, ALL THOSE THINGS, ENVIRONMENTAL
14 STANDARDS AND REGULATIONS, ALL OF THOSE THINGS.

15 WHILE WE HAVE TRADITIONALLY SUPPORTED THE
16 PROPER PROTECTION OF PUBLIC HEALTH AND SAFETY AND THE
17 ENVIRONMENT, ALL OF THOSE THINGS, IF WE ARE COMPETING
18 AGAINST COMPANIES FROM OUTSIDE OF CALIFORNIA THAT DON'T
19 HAVE THOSE SAME REQUIREMENTS CAN PLACE US AT A COMPETITIVE
20 DISADVANTAGE.

21 NOW, WHEN WE LOOK AT THE INTEGRATED WASTE
22 MANAGEMENT FEE ITSELF, THE THINGS THAT I'VE JUST DESCRIBED
23 TO YOU PRIMARILY ARE DISPOSAL-BASED ISSUES. IN OTHER
24 WORDS, THEY ARE LANDFILL ISSUES. HOWEVER, WHAT WE'RE
25 LOOKING AT AS FAR AS THE BOARD IS A MYRIAD OF SERVICES,

1 THAT THOSE WHO CURRENTLY DO NOT PAY FOR THE DISPOSAL FEE AT
2 THE BACK END ARE BENEFITING FROM THE PROGRAMS AND SERVICES
3 OF THE BOARD AT THE FRONT END. AND I THINK MS. GOTCH HAS
4 MADE THIS AN ISSUE IN THE PAST AS FAR AS THE INEQUITY OF
5 PROVIDING SERVICES AND BENEFITS OF THE BOARD'S ACTIVITIES
6 TO ENTITIES WHO DO NOT PAY THEIR FAIR SHARE OF THE BOARD'S
7 FUNDING. SO WE WOULD CERTAINLY LOOK AT -- WANT THE BOARD
8 TO LOOK AT IN THE FUTURE ALTERNATIVE WAYS OF ASSESSING THE
9 FEE.

10 THE POINT OF COLLECTION, OF COURSE, IS
11 CERTAINLY AN ITEM TO LOOK AT AS FAR AS PROVIDING FOR
12 COLLECTION POINT THAT ADDRESSES THE MYRIAD OF SERVICES, THE
13 COMPLETE MYRIAD OF SERVICES THAT THE BOARD PROVIDES, AND
14 THAT IS NOT SIMPLY DISPOSAL BASED. CURRENTLY, AND STAFF
15 CAN PROBABLY GIVE ME A LITTLE BIT MORE GUIDANCE HERE, BUT
16 CURRENTLY UNDER THE INTEGRATED WASTE MANAGEMENT FEE
17 STRUCTURE, IT'S A VERY SMALL AMOUNT. AND I WAS GIVEN THE
18 BALLPARK FIGURE OF MAYBE 6 PERCENT IS CURRENTLY GOING TO
19 DISPOSAL, YET THE REST OF THE SERVICES THAT'S PROVIDED, OF
20 COURSE, IN THE FORM OF PLANNING REQUIREMENTS AND LOCAL
21 ASSISTANCE, TECHNICAL ASSISTANCE, IS WHAT IS THE BULK OF
22 THE FUNDING.

23 AND I THINK SO MANY TIMES WE LOOK AT THE FEE
24 AND WE REFER TO IT AS A DISPOSAL FEE WHEN, IN FACT, I THINK

25

THE PROPER TERM AND THE WAY WE OUGHT TO LOOK AT THIS IS IT

11

1 IS, IN FACT, AN INTEGRATED WASTE MANAGEMENT FEE. IT IS NOT
2 SIMPLY A DISPOSAL FEE ALTHOUGH WE COLLECT IT AT DISPOSAL
3 FACILITIES.

4 LOCALLY WE'VE EXPERIENCED AN INCREASE IN
5 STRONG CONSIDERATION OF EXPORT OF WASTE OUT OF STATE. AND
6 I ALSO HAPPEN TO SERVE AS A MEMBER OF THE CITY AND COUNTY
7 OF SACRAMENTO LOCAL TASK FORCE, AND SOME OF YOU MAY HAVE
8 SEEN AN ARTICLE IN THIS MORNING'S BEE THAT REFERS TO A
9 LOCAL TASK FORCE HEARING THIS AFTERNOON OR THIS EVENING --
10 EXCUSE ME -- THAT WILL CONSIDER AND RECEIVE COMMENTS ON THE
11 DRAFT EIR FOR THE PROPOSED EXPANSION OF THE KEEFER
12 LANDFILL.

13 NOW, IN THAT ARTICLE THERE'S SEVERAL
14 REFERENCES THAT IS MADE TO THE SERIOUSNESS OF THE COUNTY
15 CONSIDERING EXPORTING ITS WASTESTREAM OF ABOUT A MILLION
16 TONS A YEAR OUT OF STATE. AND WHAT WE WOULD ENCOURAGE THE
17 BOARD TO DO, AS FAR AS ADVISING STAFF FOR PURPOSES OF THE
18 WORKSHOP DOWN THE ROAD, IS WE'D CERTAINLY LIKE TO SEE WHAT
19 KINDS OF IMPACTS IF THE COUNTY OF SACRAMENTO WERE TO EXPORT
20 ITS WASTESTREAM OUT OF STATE, WHAT KINDS OF IMPACTS THAT
21 WOULD HAVE.

22 AND I'M LOOKING SPECIFICALLY AT THE CHARTS
23 AND TABLES IN THE STAFF ANALYSES, AND I THINK IT WOULD BE
24 INFORMATIVE FOR THE PUBLIC TO BE ABLE TO SEE WHAT KINDS OF

25

LOANS AND GRANTS ARE BEING EXPERIENCED BY THE COUNTY OF

12

1 SACRAMENTO AS WELL AS WHAT IMPACTS LOSS OF REVENUE THERE
2 MIGHT BE AS A RESULT OF THE COUNTY EXPORTING A MILLION TONS
3 OUT OF STATE. SO WE WOULD REQUEST THAT AND WOULD LOOK TO
4 THAT AS BEING INFORMATIVE TO THE PUBLIC IN GENERAL.

5 THE TWO ALTERNATIVES, I THINK, THAT WE'D LIKE
6 THE BOARD TO LOOK AT IS, ONE, IF A COMMUNITY IS NOT GOING
7 TO, FOR WHATEVER REASON, IS NOT GOING TO PAY INTO THE
8 INTEGRATED WASTE MANAGEMENT FEE ITS FULL CONTRIBUTION, THEN
9 THERE OUGHT TO BE POSSIBLY EITHER A LIMITATION OR
10 RESTRICTION ON THOSE SERVICES. SO IF THERE'S NO PAYMENT,
11 THEN ONE ALTERNATIVE IS TO LOOK AT A RESTRICTION OR
12 LIMITATION ON SERVICES. OR THE OTHER ALTERNATIVE THAT WE
13 WOULD WANT THE BOARD TO LOOK AT IS REQUIRING, THEN, IF A
14 COMMUNITY WANTS TO RECEIVE THOSE BENEFITS AND SERVICES,
15 THEN REQUIRING THAT COMMUNITY TO PAY ITS FAIR SHARE ON A
16 PRO RATA BASIS FOR ITS FAIR SHARE OF SERVICES AND BENEFITS
17 AND PROGRAMS THAT IT RECEIVES FROM THE BOARD. SO THAT
18 THOSE WHO PAY INTO THE FEE PROGRAM AND INTO THE BOARD ITS
19 FULL CONTRIBUTION ARE NOT LEFT -- BASICALLY LEFT HOLDING
20 THE BAG FOR THOSE THAT DON'T PAY AND, IN ESSENCE,
21 SUBSIDIZING DIRECTLY THE BENEFITS AND SERVICES THAT OTHERS
22 RECEIVE WITHOUT PAYING THEIR FAIR SHARE.

23 WITH THAT, I'D BE HAPPY TO ANSWER ANY
24 QUESTIONS, AND WE CERTAINLY LOOK FORWARD TO WORKING WITH

25 BOARD MEMBERS AND STAFF IN BRINGING THIS ITEM FORWARD IN A
13

1 WORKSHOP FORM.

2 CHAIRMAN PENNINGTON: MRS. GOTCH, QUESTIONS?

3 MEMBER GOTCH: NO QUESTIONS.

4 CHAIRMAN PENNINGTON: OKAY. MR. JONES. OKAY.

5 THANK YOU.

6 MS. DELMATIER: THANK YOU.

7 CHAIRMAN PENNINGTON: OKAY. THE NEXT ONE IS JOHN
8 BROOKS.

9 MR. BROOKS: GOOD AFTERNOON, CHAIRMAN AND BOARD
10 MEMBERS. JOHN BROOKS, REGIONAL COUNCIL OF RURAL COUNTIES
11 ENVIRONMENTAL SERVICES JOINT POWERS AUTHORITY. GETTING IT
12 IN ONE BREATH NOW. THIS WILL BE VERY SHORT.

13 MY BOARD HAS NOT HAD A CHANCE TO MEET AND
14 DISCUSS THIS ITEM. WE'LL BE GETTING TOGETHER IN FEBRUARY,
15 BUT WE DO WANT TO STAY INVOLVED IN THIS ISSUE AS IT GOES
16 THROUGH INTO POSSIBLE WORKSHOPS. HISTORICALLY WE HAVE
17 OPPOSED THE IMPOSITION OF ANY FEES, AND THAT COULD WELL
18 STAY THE SAME, BUT I DON'T WANT TO SAY THAT AT THIS POINT.
19 WE NEED TO GET TOGETHER AND DISCUSS THE DIFFERENT ISSUES.

20 ONE OF THE THINGS THAT I THINK YOU ARE
21 LOOKING FOR TODAY IS WHAT WE SHOULD BE LOOKING AT AT THE
22 WORKSHOP, AND COUPLE OF THE THINGS THAT I'VE COME UP WITH
23 WOULD BE THERE'S BEEN SOME DISCUSSION OF THE GRANTS AND
24 NOT
 HAVING THOSE FOR THE COUNTIES THAT DON'T PARTICIPATE IN
 THE

25

INTEGRATED WASTE MANAGEMENT ACCOUNT.

AND IF, IN FACT, IT

1 CAME TO A POINT WHERE THERE WAS AN EXPORT FEE, WOULD THE
2 HOUSEHOLD HAZARDOUS WASTE FUND CONTINUE TO BE -- GRANT
3 FUNDS CONTINUE TO BE AVAILABLE, OR IS THAT OFF THE TABLE
4 BECAUSE THERE ARE ONLY A COUPLE OF GRANT FUNDS THAT
5 WOULD -- I THINK WE'RE REALLY TALKING ABOUT HERE THAT COME
6 OUT OF THE IWMA ACCOUNT. OIL FUNDS, SPECIAL FUNDS, TIRE
7 FUNDS ARE SPECIAL FUNDS.

8 IF HHW IS GOING TO BE ELIMINATED, AS SOME
9 HAVE SUGGESTED, THERE'S NOT A WHOLE LOT LEFT IN THE GRANT
10 FIELD FOR THE COUNTIES TO WORRY ABOUT.

11 AND I THINK THAT'S PRETTY WELL IT AT THIS
12 POINT. I THINK WE JUST WANT TO STAY INVOLVED, LET YOU
KNOW

13 THAT WE'RE VERY INTERESTED IN WORKING WITH YOU AND THE
14 STAFF AS YOU WORK THROUGH THIS WHOLE PROCESS. THANK YOU.

15 CHAIRMAN PENNINGTON: QUESTIONS? MR. JONES.

16 MEMBER JONES: MR. BROOKS, AS PART OF THE
PROCESS,

17 IF WE GO ON AND HAVE A WORKSHOP, I KNOW THERE WAS
18 DISCUSSIONS -- OBVIOUSLY I WAS ON ONE -- I WAS PRETTY
VOCAL

19 ON THIS ISSUE QUITE A FEW YEARS AGO BECAUSE I FELT THERE
20 WAS AN INEQUITY WITH SOME OF THE, YOU KNOW, RURAL COUNTIES
21 THAT WERE FACED WITH CLOSING LANDFILLS BECAUSE OF SUBTITLE
22 D RESTRAINTS, BUT I'VE ALSO, ESPECIALLY SINCE SITTING
HERE,

23 WONDER ABOUT THE INEQUITIES OF -- I THINK THIS THING CAME
24 ABOUT WHEN WE STARTED TALKING ABOUT THE POTENTIAL FOR
25 HAVING TO RAISE IWMA FUNDS OR IWMA FEES.

1 AND YOU START LOOKING AT THE EXPORT PART OF
2 THAT, AND WHILE EXPORT IS AN ISSUE, IT'S NOT A HUGE ISSUE,
3 BUT THERE'S A FAIRNESS ISSUE. AND I'M WONDERING, BESIDES
4 HOUSEHOLD HAZARDOUS WASTE GRANTS, WE ALSO HAVE LEA GRANTS.
5 AND, YOU KNOW, I TOTALED UP THE LEA GRANTS, AND THEY'RE
6 ABOUT \$250,800 JUST TO THE RURAL COUNTIES THAT COME OUT OF
7 THE IWMA FUND, FORGET THE HAZARDOUS WASTE, ABOUT 700 GRAND,
8 BUT THE --

9 MR. BROOKS: IS THAT THE RURAL COUNTIES THAT ARE
10 EXPORTING NOW OR RURAL COUNTY?

11 MEMBER JONES: YEAH, THAT ARE EXPORTING NOW. AND
12 I KNOW WHEN THE DISCUSSION WAS IN TUOLUMNE COUNTY, THAT
13 COUNTY SAID, YOU KNOW, I MEAN IF IT'S A DIFFERENCE PAYING
14 36,000 IN FEES AND GETTING -- YOU KNOW, TUOLUMNE GOT A
15 HUNDRED AND -- I GUESS A HUNDRED TWENTY THOUSAND. YOU
16 KNOW, THEY CAME OUT PRETTY GOOD ON IF THEY WOULD HAVE EVEN
17 PAID THAT 30,000.

18 WHEN YOU TALK TO YOUR BOARD, I THINK IF WE
19 HAVE A WORKSHOP, YOU KNOW, I LOOK AT THIS AS A POINT OF
20 COLLECTION. YOU KNOW, WHERE DO YOU COLLECT THE FEES TO BE
21 ABLE TO CONTINUE TO KEEP ALL THESE SERVICES PROVIDED? BUT
22 YOU MAY WANT TO JUST ASK THEM WHAT THEY SEE AS ALTERNATIVES
23 AND FAIRNESS ISSUES, YOU KNOW, SO THAT WHEN WE DO HAVE A
24 WORKSHOP, THEY CAN BRING SOME OF THAT INFORMATION OR YOU

25

CAN BRING SOME OF THOSE IN BECAUSE I THINK IT'S AN

16

1 IMPORTANT PART, YOU KNOW, HOW WE DEAL WITH THE RURALS, YOU
2 KNOW. SO IT'S GOT TO BE -- GOT TO TRY TO KEEP THINGS
3 SEMIFAIR. SO IF YOU COULD DO THAT WHEN YOU COME BACK.

4 MR. BROOKS: I'D BE HAPPY TO. THAT'S ONE OF THE
5 REASONS I DIDN'T WANT TO SAY THAT WE CONTINUE TO OPPOSE
6 UNTIL WE HAVE AN OPPORTUNITY TO ADDRESS THAT.

7 DO YOU HAVE ANY TYPE OF TIME FRAME ON WHEN
8 THE WORKSHOPS ARE?

9 MEMBER JONES: KIND OF GOING TO BE BASED -- I
10 THINK IT'S BASED ON WHAT'S HAPPENING TODAY, RIGHT?

11 MR. BROOKS: THANK YOU.

12 CHAIRMAN PENNINGTON: OKAY. NEXT WILL BE RANDY
13 WARD.

14 MR. WARD: GOOD AFTERNOON, MR. CHAIRMAN AND
15 MEMBERS. RANDY WARD, REPRESENTING MINE RECLAMATION, EAGLE
16 MOUNTAIN.

17 RICK DANIELS AND GARY JOHNSON SEND THEIR
18 APOLOGIES FOR NOT BEING HERE PERSONALLY, BUT WERE UNABLE
19 TO
20 BE HERE DUE TO CIRCUMSTANCES BEYOND THEIR CONTROL.
21 HOWEVER, THEY ARE VERY SUPPORTIVE OF THE POSSIBILITY OF
22 WORKSHOPS AND CONSIDER THIS TO BE OF PARTICULAR IMPORTANCE
23 IN TERMS OF THE ISSUES FACING THE WASTE BOARD AND THE
24 WASTE
25 INDUSTRY IN THE STATE.

26 I WON'T READ ALL THE ISSUES THAT THEY

BELIEVE

25 NEED TO BE CONSIDERED, BUT I WILL CITE THREE OR FOUR THAT
17

22 DELMATIER'S REMARK, THAT I THINK IT SHOULD BE LOOKED AT AS
23 AN INTEGRATED WASTE FEE AS OPPOSED TO A DISPOSAL FEE.

24 THANK YOU.

25 CHAIRMAN PENNINGTON: THANK YOU. ANY QUESTIONS
OF

1 MR. WARD? OKAY. THANK YOU, MR. WARD. NEXT IS CHUCK
2 WHITE.

3 MR. WHITE: THANK YOU, MR. CHAIRMAN, MEMBERS OF
4 THE COMMITTEE. CHUCK WHITE WITH WASTE MANAGEMENT. REALLY
5 APPRECIATE THE OPPORTUNITY TO COME AND SPEAK TO YOU TODAY
6 AND GIVE OUR PERSPECTIVE ON THIS ISSUE RELATED TO FEE
7 COLLECTION AND WASTE EXPORT.

8 I GUESS A LOT OF OUR THOUGHTS HARKEN BACK TO
9 THE HISTORY OF HAZARDOUS WASTE, WHICH MANY OF YOU AND MANY
10 OF THE PEOPLE KNOW IN THE ROOM, WHICH IS -- WITH RESPECT TO
11 HAZARDOUS WASTE FEES, HAS BEEN A CONSUMING ENDEAVOR OF MINE
12 FOR THE PAST SEVERAL YEARS.

13 THERE WAS A TIME, YOU KNOW, SOME 20 YEARS AGO
14 WHEN THE HAZARDOUS WASTE DISPOSAL FEES, WHEN MOST OF THE
15 WASTE OF HAZARDOUS WASTE THAT WAS BEING DISPOSED OF WAS
16 GOING TO LAND, AND THE STATE CHARGED A 60 CENT PER TON
17 DISPOSAL FEE ON TOP OF THAT. AND SINCE THE 60 CENTS, WE'VE
18 SEEN HAZARDOUS WASTE DISPOSAL FEES GO AS HIGH AS \$200 PER
19 TON IN CALIFORNIA, WHICH HAD AMAZING AND WILDLY FLUCTUATING
20 IMPACTS ON THE DELIVERY OF SERVICES IN THE HAZARDOUS WASTE
21 MARKETPLACE.

22 IN A LARGE PART THAT WAS DONE WITHOUT ANY
23 INSISTENT OR CONCERTED PUBLIC DIALOGUE BEING LED BY THE
24 STATE AGENCY IN CHARGE OF HAZARDOUS WASTE MANAGEMENT IN

25 CALIFORNIA. I THINK THAT WAS REALLY UNFORTUNATE, AND I
19

1 REALLY HOPE THAT THAT IS NOT HISTORY REPEATING ITSELF
2 TODAY, AND BY OUTWARD APPEARANCES CERTAINLY IS NOT BECAUSE
3 IT LOOKS, AND I CERTAINLY SUPPORT THE BOARD TAKING A
4 LEADERSHIP ROLE IN CONTINUING THIS DIALOGUE AND DEBATE OF
5 HOW THE FEE SYSTEM SHOULD BE STRUCTURED FOR SOLID WASTE,
6 HOPEFULLY, SO WE WON'T REPEAT THE WILD, FLUCTUATING CHANGES
7 IN HAZARDOUS WASTE DISPOSAL FEES.

8 AT ONE POINT THE AMOUNT OF WASTE IN THE
9 DISPOSAL -- HAZARDOUS WASTE AND DISPOSAL MARKETPLACE, AS
10 MUCH AS 40 PERCENT OF IT WAS BEING EXPORTED FOR DISPOSAL
11 OUTSIDE OF CALIFORNIA IN LARGE PART BECAUSE OF THE
12 DISADVANTAGEOUS DISPOSAL FEES THAT CALIFORNIA PLACED ON THE
13 DISPOSAL OF HAZARDOUS WASTE IN CALIFORNIA.

14 AND SO TO ELIMINATE THIS WILD FLUCTUATION AND
15 WHOLE VARIETY OF DIFFERENT IMPACTS AND PARTIES IN THE
16 PLACE, I THINK THE BOARD REALLY SHOULD EXERCISE A
17 LEADERSHIP ROLE, HOLD THE HEARINGS, GET IDEAS, TAKE A
18 LEADERSHIP ROLE IN TRYING TO CREATE A FAIR AND BALANCED
19 APPROACH TO HOW FEES ARE ADMINISTERED IN THE SOLID WASTE
20 REALM HERE IN CALIFORNIA. AND AS YOU DO MOVE FORWARD, I
21 WOULD URGE YOU TO CONSIDER A SERIES OF FACTORS AS A
22 BACKDROP IN HOW CALIFORNIA'S SOLID WASTE REGULATORY SYSTEM
23 IS STRUCTURED.

24 NO. 1 IS THAT CALIFORNIA'S SOLID WASTE

1 MOST RIGOROUS AND MOST EXPENSIVE IN THE NATION, CERTAINLY
2 IN THE WEST. EVEN WITHOUT HIGH FEES, THERE'S ALREADY A
3 BUILT-IN COST INCENTIVE TO SEEK DISPOSAL OPTIONS OUTSIDE OF
4 CALIFORNIA BECAUSE OF THE HIGH COST OF MEETING CALIFORNIA'S
5 REGULATORY STANDARDS. SO I URGE YOU TO BEAR THAT IN MIND
6 AS YOU PROCEED FORWARD WITH YOUR WORKSHOPS.

7 NO. 2 IS THE CALIFORNIA'S STATE SOLID WASTE
8 TIPPING FEE AT \$1.34 A TON IS ALREADY AMONG THE HIGHEST IN
9 THE WESTERN UNITED STATES, BUT IN ADDITION MANY LOCAL
10 GOVERNMENTS CHARGE VERY, VERY EXCEEDINGLY, EVEN HIGHER
11 FEES, AS HIGH AS \$10 PER TON IN SOME JURISDICTIONS, AND
12 THAT HAS IN ITSELF A HUGE IMPACT ON THE DELIVERY OF SERVICE
13 IN THE MARKETPLACE.

14 WE UNDERSTAND THAT THERE ARE MANY OPERATORS
15 OUTSIDE OF CALIFORNIA THAT ACTIVELY MARKET THEIR
16 OUT-OF-STATE FACILITIES AS A WAY FOR LOCAL JURISDICTIONS TO
17 AVOID THE STATE AND LOCAL FEES. AND THAT SHOULD BE OF SOME
18 MEASURE OF CONCERN TO YOU.

19 AND THEN THE ISSUE THAT WAS BROUGHT UP BY MS.
20 DELMATIER IS ONE AS WELL. WHILE YOU HAVE SOME
21 JURISDICTIONS THAT ARE EXPORTING THEIR WASTE FOR DISPOSAL
22 AND THEREFORE NOT COLLECTING OR THE STATE FEE IS NOT BEING
23 COLLECTED, THE INTEGRATED WASTE MANAGEMENT ACCOUNT AND THE
24 BOARD IS PROVIDING VOLUNTARY SUPPORT AND SERVICES TO THESE
25 SAME JURISDICTIONS, BUT THEY'RE NOT CONTRIBUTING TO THE

1 ACCOUNT BECAUSE OF THE FACT OF THEIR EXPORT. SO IT SEEMS
2 TO US THAT ONE OF THE CLEAR BACKDROPS THAT YOU NEED TO TAKE
3 INTO ACCOUNT IS THE AWARD OF FINANCIAL ASSISTANCE AND
4 TECHNICAL SUPPORT TO THOSE CITIES AND COUNTIES THAT
5 EXPORTS -- EXPORT THEIR WASTE AND IS THAT EQUITABLE WITH
6 RESPECT TO THOSE OTHER JURISDICTIONS THAT ARE, IN FACT,
7 PAYING INTO THE ACCOUNT?

8 AS YOU PROCEED TO CONDUCT YOUR WORKSHOPS, WE
9 WOULD URGE YOU TO EVALUATE A WHOLE VARIETY OF OPTIONS
10 RELATED TO BOTH FEES AND THE EXPORT SCENARIOS AS THEY MAY
11 DEVELOP. AND ONE OPTION YOU SHOULD LOOK AT IS SHOULD
12 EXPORTING JURISDICTIONS BE REQUIRED TO PAY FOR THEIR FAIR
13 SHARE OF THE INTEGRATED WASTE MANAGEMENT ACCOUNT SERVICES
14 THAT ARE SEPARATE AND DISTINCT FROM THE COST OF REGULATING
15 DISPOSAL? IF YOU ARE EXPORTING IT FOR DISPOSAL, PRESUMABLY
16 THOSE OTHER STATES ARE PAYING FOR THE COST OF REGULATING
17 THE DISPOSAL IN THAT OTHER STATE. BUT AS MS. DELMATIER
18 MENTIONED, MAYBE THAT IS 6 PERCENT OR SO OF THE TOTAL
19 INTEGRATED WASTE MANAGEMENT ACCOUNT. THE OTHER 94 OR SO
20 PERCENT IS FOR NONDISPOSAL-RELATED ACTIVITIES, AND SHOULD
21 THOSE EXPORTING JURISDICTIONS BE REQUIRED TO, THROUGH THE
22 ASSESSMENT OF A FEE, BE ABLE TO PICK UP THOSE COSTS, SUCH
23 AS INVOLVEMENT OF YOUR STAFF ON THE COUNTYWIDE INTEGRATED
24 WASTE MANAGEMENT PLAN, THE REGULATION OF TRANSFER AND WASTE
25 DIVERSION FACILITIES, MARKET DEVELOPMENT ACTIVITIES AND

1 EDUCATIONAL PROGRAMS OF THE BOARD? THAT'S NO. 1.

2 NO. 2, I THINK THE BOARD SHOULD EVALUATE
3 WHETHER OR NOT IT MAKES SENSE TO LIMIT OR RESTRICT THE
4 SERVICES AND PROGRAMS THAT THE BOARD OFFERS TO THOSE
5 JURISDICTIONS THAT ARE RELYING ON EXPORT AS A WAY OF
6 MEETING THEIR DISPOSAL NEEDS AND THEREBY NOT CONTRIBUTING
7 TO THE ACCOUNT. IS IT FEASIBLE TO LIMIT OR RESTRICT
8 DELIVERY OF THOSE SERVICES TO THOSE EXPORTING COMMUNITIES?

9 NO. 3 IS BASICALLY WHAT ARE THE CUMULATIVE
10 MARKET IMPACTS OF CALIFORNIA'S EXISTING STATE AND LOCAL
11 DISPOSAL FEES AND TAXES? WHAT IS THE MARKET IMPACT OF A
12 \$1.34 PER TON, AND HOW DOES THAT AFFECT THE DELIVERY OF
13 SERVICES IN THE MARKETPLACE, PARTICULARLY WHEN IT'S JOINED
14 WITH OTHER LOCAL FEES THAT MAY BE AS HIGH AS \$10 A TON ON
15 DISPOSAL OF WASTE IN CALIFORNIA? SO THE BOARD OUGHT TO BE
16 LOOKING AT HOW DO THESE STATE FEES, THESE STATE AND LOCAL
17 FEES, IMPACT DELIVERY OF SERVICES IN A MARKETPLACE?

18 AND THEN LAST BUT NOT LEAST, GIVEN THE FACT
19 THAT CALIFORNIA DOES HAVE ONE OF THE MOST EXPENSIVE
20 REGULATORY STRUCTURES FOR BOTH SITING AND MANAGING WASTE
21 DISPOSAL FACILITIES, I THINK THAT THE BOARD SHOULD EXPLORE
22 MEANINGFUL INCENTIVE PROGRAMS TO ENCOURAGE JURISDICTIONS TO
23 UTILIZE IN-STATE FACILITIES THAT MUST OPERATE IN ACCORDANCE
24 WITH CALIFORNIA'S MOST STRINGENT REGULATORY STANDARDS, BOTH

25

FROM YOUR OWN BOARD'S PERSPECTIVE, BUT THE WATER BOARD'S

23

1 PERSPECTIVE, THE AIR BOARD'S PERSPECTIVE. ALL OF THESE ARE
2 DONE TO PROTECT HUMAN HEALTH AND THE ENVIRONMENT ARE
3 EXPENSIVE; AND IF WE BASICALLY TELL PEOPLE, WELL, BUT YOU
4 CAN GO AHEAD AND EXPORT IT TO A LESS STRINGENTLY REGULATED
5 ENVIRONMENT, DOES THAT REALLY SEND THE RIGHT MESSAGE? WE
6 NEED TO FIND WAYS TO ENCOURAGE PEOPLE TO USE CALIFORNIA'S
7 MORE EXPENSIVE FACILITIES TO THE EXTENT WE POSSIBLY CAN.
8 AND I URGE THE BOARD, THROUGH THEIR WORKSHOPS, TO EXPLORE
9 THE KIND OF INCENTIVE PROGRAMS THAT CAN BE DEVELOPED WITHIN
10 THE BOARD STRUCTURE TO ENCOURAGE THE USE OF CALIFORNIA
11 FACILITIES.

12 WASTE MANAGEMENT CLEARLY SUPPORTS AB 939, AND
13 WE ENCOURAGE THE BOARD TO CONTINUE TO EXAMINE THESE OPTIONS
14 FOR RESTRUCTURING THE INTEGRATED WASTE MANAGEMENT FEE THAT
15 WOULD BE FAIR AND EQUITABLE TO ALL PARTIES AND CONTINUE TO
16 EXERCISE A LEADERSHIP ROLE IF THIS DISCUSSION CONTINUES.
17 THANK YOU.

18 CHAIRMAN PENNINGTON: THANK YOU. ANY QUESTIONS?
19 THANK YOU. NEXT WE'LL HEAR FROM YVONNE HUNTER.

20 MS. HUNTER: MR. CHAIRMAN AND MEMBERS, YVONNE
21 HUNTER WITH THE LEAGUE OF CALIFORNIA CITIES. THANK YOU
22 VERY MUCH FOR THE OPPORTUNITY TO MAKE A FEW COMMENTS.

23 NOT NECESSARILY IN ANY PARTICULAR ORDER, I'VE
24 JOTTED DOWN A FEW NOTES. IN THE PAST WHEN THIS ISSUE CAME

25 UP PREVIOUSLY RELATIVE TO SEVERAL BILLS, THE LEAGUE'S
24

1 POSITION WAS CITIES AND COUNTIES SHOULD PAY THE PRO RATA
2 SHARE OR THE TIPPING FEE, NOT NECESSARILY CITIES AND
3 COUNTIES, BUT THE TIPPING FEE THAT IS CHARGED OUGHT TO
4 REFLECT THE PRO RATA SHARE FOR THE SERVICES AND PROGRAMS
5 THAT ARE PROVIDED AND SUPPORTED IN STATE, YET YOU SHOULDN'T
6 HAVE TO PAY THE LANDFILL INSPECTION FEE, LEA-TYPE FEE FOR
7 WASTE OUT OF STATE.

8 THIS WAS AN EQUITY ISSUE THAT WE DISCUSSED.
9 OUR POLICY COMMITTEE WENT INTO IT IN DETAIL, AND I WOULD
10 ASSUME THAT THAT POSITION WOULD CONTINUE SHOULD WE SEE A
11 BILL THIS YEAR, BUT I NEED TO GIVE THE CAVEAT THAT WAS OUR
12 PAST POSITION. WE TRY TO BE CONSISTENT.

13 THERE WERE A NUMBER OF REASONS THAT WE TOOK
14 THIS POSITION, AND I THINK SOME OF THE FOLKS PREVIOUSLY
15 HAVE ALREADY STATED THEM. THOSE JURISDICTIONS WHOSE
16 RESIDENTS HAVE THEIR WASTE DISPOSED OF IN STATE ARE KIND OF
17 GIVING A FREE RIDE TO THOSE WHO MAY AVOID THE TIPPING FEE
18 BECAUSE THE HAULER DECIDES -- FOR THE JURISDICTIONS DECIDES
19 TO DISPOSE OF THE WASTE OUT OF STATE. THE ISSUE OF GRANTS
20 HAS COME UP, AND I THINK THAT'S A PERFECT EXAMPLE.

21 LET ME MAKE A COUPLE OF POINTS, THOUGH, FOR
22 ISSUES THAT SHOULD BE CONSIDERED IN THE WORKSHOP. FIRST OF
23 ALL, I THINK IT'S NOT QUITE APPROPRIATE ALWAYS TO SAY THAT
24 THE CITIES ARE NOT PAYING THE FEE OR THE COUNTIES ARE NOT

25

PAYING THE FEE. IT'S THE HAULER OR THE LANDFILL OPERATOR.

25

1 AND IN MANY INSTANCES, ESPECIALLY IF YOU HAVE NONEXCLUSIVE
2 COMMERCIAL SOLID WASTE COLLECTION, IT'S THE HAULER THAT
3 MAKES THE DECISION WHERE TO DISPOSE OF THE FEE. IT'S NOT
4 THE CITY OR THE COUNTY. SO -- AND THERE YOU GET INTO A
5 CATCH 22.

6 IF YOU ARE NOT -- IF ONE OF THE PROPOSALS IS
7 IF YOUR WASTE IS BEING DISPOSED OF OUT OF STATE AND YOU ARE
8 NOT PAYING THE TIPPING FEE, THEN THE CITY OR COUNTY SHOULD
9 NOT GET THE GRANTS AND LOANS. THAT MAY NOT BE FAIR BECAUSE
10 IT MAY NOT BE THE CITY OR COUNTY'S DECISION THAT THE WASTE
11 IS GOING TO GO OUT OF STATE, ESPECIALLY IF THERE'S A
12 NONEXCLUSIVE FRANCHISE THAT'S OPERATING. IT'S THE HAULER'S
13 DECISION BASED UPON MARKET CONDITIONS AND ISSUES. SO
14 THAT'S SOMETHING THAT WE THINK THE BOARD NEEDS TO
15 DISTINGUISH, NOT ONLY WHEN IT'S CRAFTING ITS PROPOSAL, BUT
16 I WOULD RESPECTFULLY SUGGEST AND REQUEST THAT IN THE
17 DISCUSSION AS WELL IT'S NOT QUITE FAIR TO PLACE THE BURDEN
18 JUST ON LOCAL GOVERNMENT BECAUSE THE HAULERS HAVE A ROLE IN
19 THAT AS WELL.

20 THERE MAY BE ALSO LEGAL CONSTRAINTS THAT
21 LOCAL GOVERNMENTS ARE FACED, AND I AM NOT AN ATTORNEY, BUT
22 I'LL JUST THROW OUT SOME CASES AND LET YOUR LEGAL STAFF
23 EVALUATE THEM. CARBON, RANCHO MIRAGE, WOOD FEATHER ALL
24 RESTRICT WHAT WE CAN AND CAN'T DO AS FAR AS DESIGNATING

25 WHERE THE WASTE GOES. SO WE MAY NOT -- WE MAY HAVE LEGAL
26

1 CONSTRAINTS THAT WOULD AFFECT US.

2 I THINK IT'S IMPORTANT IN ANY CHARTS THAT THE
3 BOARD PUTS OUT TO DISTINGUISH NOT TO JUST SAY JURISDICTIONS
4 IN X COUNTY EXPORT THEIR WASTE. IT MAY BE THAT THE COUNTY
5 EXPORTS THE WASTE AND THE CITIES DON'T OR VICE VERSA, OR IT
6 MAY BE THAT THE COUNTY AND ALL THE CITIES BUT ONE USE
7 IN-STATE FACILITIES AND IT'S ONLY ONE CITY THAT DOES
8 OUT-OF-STATE FACILITIES.

9 I SEEM TO REMEMBER WHENEVER AB 688, HOWEVER
10 MANY YEARS AGO THAT WAS, WAS BEING CRAFTED, ONE AFTERNOON
11 DOROTHY RICE, THEN YOUR LEGISLATIVE DIRECTOR, DENISE
12 DELMATIER, AND I WERE SITTING IN THE SIXTH FLOOR CAFETERIA
13 TRYING TO CRAFT LANGUAGE THAT ACCURATELY REFLECTED THE VIEW
14 THAT SOME FOLKS HAVE SAID HERE, AND THAT IS THAT YOU PAY
15 YOUR PRO RATA SHARE FOR IN-STATE SERVICES IF THE WASTE IS
16 GOING OUT OF STATE. I THINK WE CAME UP WITH FAIRLY DECENT
17 LANGUAGE, BUT POLITICS, COMPETING INTERESTS KEPT THAT
18 LANGUAGE OUT OF THE BILL.

19 SO IN THE PAST THE LEAGUE HAS VIEWED THIS AS
20 AN EQUITY ISSUE, A FAIRNESS ISSUE, AND I THINK WE WILL IN
21 THE FUTURE. AND WE WOULD JUST ASK THAT YOUR WORKSHOP
22 CONSIDER SOME OF THE VARIOUS ISSUES THAT OTHER SPEAKERS
23 HAVE RAISED AND THAT I'VE RAISED AS WELL. THANK YOU VERY
24 MUCH.

25

CHAIRMAN PENNINGTON: THANK YOU. ANY QUESTIONS OF

27

1 MS. HUNTER?

2 MEMBER JONES: JUST A COUPLE. ON SOME SUGGESTIONS
3 FOR THE WORKSHOP AND THINGS TO CONSIDER. I KNOW ONE OF THE
4 ISSUES WITH 688 WAS POINT OF COLLECTION.

5 MS. HUNTER: YEAH, EXACTLY.

6 MEMBER JONES: AND I THINK THAT REALLY HAS -- YOU
7 KNOW, I THINK, ESPECIALLY WITH THE ISSUES YOU BROUGHT UP
8 ABOUT NONEXCLUSIVE FRANCHISE AND HAULERS HAVING CONTROL AND
9 OPERATORS HAVING DIFFERENT CONTROLS AND CITIES HAVING EVEN
10 A DIFFERENT SET OF CONTROLS, IS I THINK THAT IF IT'S A
11 POINT OF COLLECTION ISSUE, WHICH I THINK IT IS, HOW DO WE
12 STRUCTURE THAT POINT OF COLLECTION? YOU KNOW WHAT I MEAN?

13 MS. HUNTER: NO, I KNOW EXACTLY WHAT YOU MEAN. AT
14 THE TIME IT WAS ASSUMED, AND I HAVE NO IDEA WHAT THE
15 CURRENT STRUCTURE IS OF THE WASTE INFRASTRUCTURE OUT THERE,
16 WE TRIED TO CRAFT IT, I BELIEVE, SO THE POINT OF COLLECTION
17 WOULD BE A TRANSFER STATION, IN-STATE TRANSFER STATION,
18 ASSUMING THAT ALL THE WASTE COMES THERE. YOU PAY X PERCENT
19 AT THAT POINT OR A FEE THAT'S LOWER THAN THE TOTAL FEE AND
20 THEN IT IS EXPORTED OUT OF STATE. AND I BELIEVE THE TRICK
21 WAS CRAFTING LANGUAGE THAT ACCURATELY COULD STAND THE LEGAL
22 TEST OF THE POINT OF COLLECTION ISSUE.

23 MEMBER JONES: BECAUSE I THINK THAT'S SOMETHING
24 THAT IS GOING TO TAKE A WHOLE LOT OF PEOPLE IN THIS ROOM TO
25 TRY TO, YOU KNOW, FIGURE OUT EXACTLY BECAUSE EVERY PART OF

1 THE STATE IS DIFFERENT.

2 MS. HUNTER: RIGHT. AND THERE ARE SOME
3 JURISDICTIONS HISTORICALLY SIMPLY BECAUSE OF GEOGRAPHICALLY
4 WHERE THEY'RE LOCATED HAVE -- IT MAKES SENSE. THE LANDFILL
5 IS CLOSER TO SOUTH LAKE TAHOE, I THINK ONE OR TWO
6 JURISDICTIONS WAY UP IN THE NORTH PART OF CALIFORNIA, AND
7 THEN EL CENTRO AREA PERHAPS HAS GONE DOWN TO ARIZONA. THAT
8 AS WELL IS AN EQUITY ISSUE. WAY BACK WHEN WE DID 688 THERE
9 WEREN'T THAT MANY JURISDICTIONS EXPORTING, BUT PEOPLE SAW
10 THE TRENDS.

11 WE LOOK AT IT AS AN EQUITY ISSUE. SHOULD
12 SOME JURISDICTIONS, THROUGH THE GRANT AND LOANS, GET A FREE
13 RIDE IF THEIR RESIDENTS, DUE TO THE CITY'S DECISION,
14 COUNTY'S DECISION, OR HAULER'S DECISION, AREN'T PAYING
15 THEIR SHARE OF THE IWMA? THANK YOU.

16 MEMBER JONES: THANKS, YVONNE.

17 CHAIRMAN PENNINGTON: THANK YOU, MS. HUNTER. NEXT
18 WE HAVE MARK LEARY.

19 MR. LEARY: GOOD AFTERNOON, MR. CHAIRMAN, MEMBERS
20 OF THE COMMITTEE. MY NAME IS MARK LEARY REPRESENTING
21 BROWNING-FERRIS INDUSTRIES.

22 I MIGHT TAKE A LITTLE BIT OF DIFFERENT TACK
23 THAN SOME OF THE OTHER SPEAKERS HAVE TAKEN. BFI STRONGLY
24 SUPPORTS THE BOARD'S EXAMINATION OF REALLY ANY ISSUE, AND

25

WE GENUINELY APPRECIATE THE OPEN MANNER IN WHICH IT

29

1 CONDUCTS THE EXAMINATION OF THESE ISSUES IN COMPARISON TO
2 MAYBE SOME OTHER CALIFORNIA DEPARTMENTS OR SOME OTHER
3 STATES FOR THAT MATTER. THE OPEN, AGGRESSIVE WAY WE PURSUE
4 THESE THINGS WE GREATLY APPRECIATE.

5 BUT ON A RELATIVE SCALE, WE ACKNOWLEDGE THE
6 INEQUITY ISSUE ABOUT CONTRIBUTING TO THE IWMA AND NOT
7 CONTRIBUTING TO THE IWMA AND UNDERSTAND THE BOARD'S NEED TO
8 POSSIBLY RESOLVE THAT INEQUITY; BUT ON THE OTHER HAND, WE'D
9 LIKE TO KIND OF CHALLENGE THE BOARD TO FIND A TAX LAW OR
10 RULE THAT IS COMPLETELY FAIR AND EQUITABLE. THERE AREN'T A
11 LOT OF THEM OUT THERE IF THERE ARE ANY.

12 SO ON A RELATIVE SCALE, WE'RE NOT SURE THIS
13 IS AS HIGH A PRIORITY AS THE OTHER ISSUES THE BOARDS ARE
14 WORKING ON. AND I SUPPOSE IF WE ARE GOING TO MAKE ANY
15 PITCH TODAY, IT WOULD BE TO COMPLETE YOUR EXAMINATION,
16 CONDUCT IT WISELY AND THOROUGHLY, BUT DON'T SPEND A LOT OF
17 TIME ON IT.

18 THE BOARD IS DEMONSTRATING LEADERSHIP IN A
19 NUMBER OF AREAS, A NUMBER OF AREAS THAT CONTRIBUTE TO THE
20 FACT THAT WASTE MIGHT BE EXPORTED CURRENTLY OR MAY BE
21 EXPORTED IN THE FUTURE. THE BOARD IS STREAMLINING
22 REGULATIONS BY TIERED PERMITTING. CONTINUE THOSE GOOD
23 EFFORTS. THE BOARD IS REGULATING POSSIBLE SERIOUS PUBLIC
24 HEALTH ISSUES, C&D WASTE, GREEN MATERIAL, OTHER KINDS OF
25 ORGANICS. CONTINUE THOSE GOOD EFFORTS. FOCUS YOUR EFFORTS

1 ON THOSE ITEMS.

2 I GUESS BFI IS CONCERNED THAT DEVOTING A LOT
3 OF TIME TO THIS ISSUE, IT'S A BROAD ISSUE, IT'S A DIFFICULT
4 ISSUE, AND IT'S SOMEWHAT A VAGUE ISSUE, A TOUGH AREA TO GET
5 YOUR ARMS AROUND. BETTER THE BOARD FOCUS ON THE
6 CONTRIBUTING FACTORS TO THE IDEA THAT WASTE IS BEING
7 EXPORTED OUT OF THE STATE AND CONTINUE ITS EFFORT TO MAKE
8 CALIFORNIA COMPETITIVE BY STREAMLINING THE REGULATIONS,
9 ELIMINATING THE PUBLIC HEALTH, STRENGTHEN YOUR RELATIONSHIP
10 WITH THE LEA'S, RESOLVE THE INEQUITY ABOUT EXPORTING
11 JURISDICTIONS RECEIVING BENEFIT FROM THE IWMA WITHOUT
12 CONTRIBUTING TO IT, BUT LET'S NOT GET TOO WRAPPED AROUND
13 THE AXLE ON THIS ISSUE. THANK YOU VERY MUCH.

14 CHAIRMAN PENNINGTON: QUESTIONS OF MR. LEARY?
15 OKAY. THANK YOU. AND FINALLY LAST ONE THAT I HAVE A SLIP
16 FOR ANYWAY IS PAUL YODER. AND I ALSO NEED TO SAY THAT --
17 EX PARTE A LETTER FROM SWANA THAT WAS JUST GIVEN TO US.

18 MR. YODER: MR. CHAIRMAN AND OTHER MEMBERS, HAPPY
19 NEW YEAR. COUPLE QUICK SUGGESTIONS. ONE, I THINK IT MIGHT
20 BE HELPFUL FROM THE STANDPOINT OF LOCAL GOVERNMENT -- PAUL
21 YODER ON BEHALF OF SWANA -- MIGHT BE HELPFUL FROM THE
22 STANDPOINT OF LOCAL GOVERNMENT IF THE BOARD WOULD COMMIT TO
23 KEEPING THE FEE, THE SURCHARGE, AT A \$1.34. I THINK
24 FRANKLY, ABSENT THAT, A LOT OF FOLKS IN LOCAL GOVERNMENT

25 ARE GOING TO BE TOO FREAKED OUT ABOUT THINGS THAT MAY OR
31

1 MAY NOT BE ON THE TABLE.

2 AND I THINK IT -- CONVERSELY IT WOULD -- IT
3 WOULD ENGAGE JUST ABOUT EVERYONE IN LOCAL GOVERNMENT AND
4 HELP THEM TO FOCUS ON THE DETAILS OF THIS SUBJECT IF IT
WAS

5 ABSOLUTELY CLEAR THAT WE ARE TALKING ABOUT A \$1.34
6 SURCHARGE.

7 SECONDLY, WITH RESPECT TO THE STAFF
8 BACKGROUND, ON PAGE 4, THE THIRD BULLET -- EXCUSE ME -- IS
9 TECHNICAL AND LEGAL IMPLICATIONS OF FEE STRUCTURE
10 REVISION. I THINK THE EXCHANGE BETWEEN MS. HUNTER AND MR.
11 JONES EARLIER WAS RIGHT ON POINT. I THINK YOU COULD SPEND
12 AN ENTIRE DAY TALKING ABOUT JUST THAT BULLET ALONE. I
13 THINK THAT WHAT THIS BOARD PRIMARILY CAN DO IS INFORM THE
14 DEBATE. AT LEAST FOR THE SHORT TERM, WE NEED TO TALK
ABOUT

15 WHAT'S DOABLE, WHAT'S LEGAL, WHAT'S CONSTITUTIONAL, WHAT'S
16 FEASIBLE. GET ALL THE OPTIONS OUT THERE. GIVE PEOPLE
TIME

17 TO STUDY THOSE OPTIONS AND THEN COME BACK TO YOU AND
18 COMMENT ON THOSE OPTIONS.

19 IN GENERAL, LIKE EVERYBODY ELSE SAID, I
THINK

20 THE ISSUE REALLY OUGHT TO BE FRAMED BY EQUITY, EQUITY FOR

21 MUNICIPALITIES, EQUITY FOR HAULERS THAT ARE OPERATING IN
22 CALIFORNIA. WHATEVER POLICY IS DEVELOPED OBVIOUSLY OUGHT
23 TO BE CONSISTENT WITH THE GOALS OF AB 939. THANK YOU.

24 CHAIRMAN PENNINGTON: THANK YOU. ANY QUESTIONS
OF

25 MR. YODER? OKAY. NEXT WE HAVE EVAN EDGAR.

1 MR. EDGAR: MR. CHAIRMAN AND BOARD MEMBERS, MY
2 NAME IS EVAN EDGAR OF EDGAR ASSOCIATES, REPRESENTING CRRC,
3 THE CALIFORNIA REFUSE REMOVAL COUNCIL. I'M HERE TODAY TO
4 REALLY FOCUS ON THE WORKSHOP STRUCTURE. WE WERE SIGNATORY
5 TO THE JOINT LETTER FROM NORCAL AND CONCUR WITH THE
6 COMMENTS OF DENISE DELMATIER. SHE WAS RIGHT ON TARGET
7 ABOUT THE EQUITY, AND THE EQUITY IS THE ISSUE TODAY.

8 BUT WITH REGARDS TO THE FOCUS OF THE
9 WORKSHOP, THERE'S A LOT OF INTERNAL POLICIES THE WASTE
10 BOARD CAN DO WITHOUT RESORTING TO ANY LEGISLATIVE
11 SOLUTIONS. THE WORKSHOP COULD BE BROKEN INTO TWO
12 DIFFERENT -- WELL, THREE DIFFERENT PARTS. THE FIRST PART
13 COULD BE ABOUT THE EQUITY, ABOUT YOUR LOAN POLICY, YOUR
14 DIFFERENT TYPE OF GRANT POLICY, ABOUT PEOPLE PAYING INTO
15 THE ACCOUNT AND PEOPLE NOT. I THINK WE HAD A LOT OF GOOD
16 TESTIMONY ON THAT TODAY FROM BOTH PUBLIC AND PRIVATE
17 SECTOR.

18 ANOTHER ASPECT ABOUT HAVING THE RURALS MAYBE
19 HAVE SOME TYPE OF NOT EXEMPTION OR SOME TYPE OF BONUS
20 POINTS PER SE AS PART OF THE GRANT AND LOAN STRUCTURE, IF
21 YOU ARE UNDER A CERTAIN SIZE AND YOU ARE APPLYING FOR
22 GRANTS OR LOANS AND YOU ARE A SMALLER COMMUNITY,
MAYBE
23 THOSE COMMUNITIES SHOULD GET SOME TYPE OF BONUS

POINTS WITH

24 REGARDS TO WHEN THEY DO APPLY FOR GRANTS OR LOANS.

25 BUT THE BIG ASPECT ABOUT THE FEE

EQUITY IS

1 WHAT HAS NOT COME UP TODAY WAS FEE EFFICIENCY. THE
2 INTEGRATED WASTE MANAGEMENT ACCOUNT IS AN INTEGRATED
3 ACCOUNT. IT PAYS FOR THE INTEGRATED WASTE MANAGEMENT
4 ACCOUNT HERE AT THE WASTE BOARD WHICH ACTS AS A GENERAL
5 FUND.

6 OVER THE LAST FOUR OR FIVE YEARS, I BELIEVE
7 THAT RALPH CHANDLER HAD ACTED IN A DILIGENT MANNER WITH
8 REGARDS TO REALLY FOCUSING THE BOARD ON CORE PROGRAMS. I
9 BELIEVE THAT YOUR 50-PERCENT INITIATIVE AND THE STRATEGIC
10 PLAN HAS REALLY PUT A LOT OF ISSUES FIRST WHERE THIS WASTE
11 BOARD IS NOW FOCUSED ON GET TO 50 PERCENT. AND YOU HAVE
12 KIND OF GONE THROUGH YOUR PROCESS WHERE A LOT OF SIDE
13 ISSUES HAVE BEEN DEPRIORITIZED AND THE CORE ISSUES ARE
14 GOING FORTH. SO I THINK THE FEE EFFICIENCY AT A \$1.34 IS
15 IN PLACE, AND I BELIEVE THAT A \$1.34 IS PLENTY, AND WE
16 WOULDN'T RECOMMEND RAISING THE FEE, BUT I CAN SEE THE
17 FURTHER TWEAKING OF THAT BY DIFFERENT INTERNAL POLICIES IS
18 NEEDED IN ORDER TO HAVE THE FEE EQUITY --

19 (SIDE A OF THE TAPE ENDED.)

20 THE SECOND PART OF IT, WHICH HAS BEEN IN
21 FRONT OF THE WASTE BOARD SINCE 1993, HAS BEEN THE
22 FORECASTING OF THE EXPORT OF WASTE. THERE WAS A REPORT
23 BACK IN 1994 SAYING THAT THERE WAS GOING TO BE UP TO ABOUT
24 SIX MILLION TONS OF WASTE EXPORTED BY THE YEAR 2001.
25 THERE'S ANOTHER REPORT BACK IN 1995 SAYING UP TO 11.7

1 MILLION TONS COULD BE EXPORTED OVER THE NEXT FIVE YEARS.

2 WELL, WE HAVE A NEW ECONOMY IN CALIFORNIA
3 THAT'S MOVING RATHER QUICKLY WITH REGARDS TO CONSOLIDATION,
4 PRIVATIZATION, AND NEW COMPETITION, REGIONALIZATION; AND A
5 LOT OF THESE EFFORTS HAVE NOT REALLY MATERIALIZED WITH
6 REGARDS TO THE EXPORT TO THE LEVEL THAT WAS ANTICIPATED
7 PREVIOUSLY. HOWEVER, WE LIVE IN VERY DYNAMIC TIMES, AND I
8 BELIEVE THAT THE WASTE BOARD SHOULD HAVE THESE ONGOING
9 HEARINGS WITH REGARDS TO THE FORECASTING OF THE EXPORT OF
10 WASTE ON A QUARTERLY OR SEMIANNUAL BASIS AS IT WAS IN THE
11 POLICY COMMITTEE OF YEARS GONE BY.

12 PLUS, AS PART OF THAT FORECASTING THE WASTE,
13 THERE ARE SOME POLICIES THAT COULD BE DISCUSSED IN A POLICY
14 COMMITTEE. ONE OF THEM IS LOADCHECKING WHEN YOU EXPORT
15 ACROSS STATE LINES. ANOTHER ONE IS REGULATORY EQUITY AMONG
16 THE STATES, AS MARK LEARY POINTED OUT. ANOTHER ONE IS
17 AVOIDANCE OF THE LOCAL FEE SURCHARGES, AS WASTE MANAGEMENT
18 INC. POINTED OUT; AND, OF COURSE, WE HAVE PENDING FEDERAL
19 ISSUES THAT ARE LOOKING AT DIFFERENT ISSUES OF EXPORTING
20 WASTE.

21 THOSE ARE POLICY DISCUSSIONS THAT COULD BE
22 UPDATED ON A ROUTINE BASIS WITH THE POLICY COMMITTEE. I
23 BELIEVE THAT COULD BE A RESULT FROM THE WORKSHOP IS HAVING
24 THOSE ROUTINE REPORTS.

1 TYPE OF FIXES, ANY LEGISLATIVE FIXES TO INTEGRATED WASTE
2 MANAGEMENT ACCOUNT FUNDING. THERE HAVE BEEN MANY DIFFERENT
3 REPORTS OVER THE YEARS ABOUT DIFFERENT TYPES OF FUNDING AS
4 PART OF THE 50-PERCENT INITIATIVE AND THE STRATEGIC PLAN.
5 MANY THINGS WERE LOOKED AT. NOTHING REALLY WAS -- NOTHING
6 REALLY STUCK. THERE WAS NO SOLUTIONS THAT WERE PRESENT,
7 BUT WE WOULD CONCUR THAT THERE IS SOME OPPORTUNITY TO LOOK
8 AT THE POINT OF COLLECTION AS OPPOSED TO IN-STATE LANDFILLS
9 IN ORDER TO COLLECT A FEE, AND WE WOULD LIKE TO INVESTIGATE
10 THAT.

11 I BELIEVE THAT THE WASTE BOARD IS WARRANTED
12 TO DISCUSS THAT STUFF AND IS THE FORUM TO MAYBE WORK OUT
13 SOME LANGUAGE WITHIN THE WORKSHOPS THAT REALLY IS AN ISSUE
14 OF THE FIX, AND THAT IS THE REASON WHY THIS ROOM IS PACKED
15 WITH LOBBYISTS TODAY IN ORDER TO SEE WHAT WE CAN DO AT THE
16 CAPITOL IN ORDER TO HAVE THAT TYPE OF SOLUTION.

17 I THINK THE WORKSHOPS WILL BE VERY FRUITFUL,
18 BUT I THINK THAT BY BREAKING UP IN THREE DIFFERENT PARTS, I
19 THINK THE WASTE BOARD CAN FOCUS ON THINGS YOU CAN DO OUT
20 HERE ON WATT AVE. VERSUS WHAT CAN BE DONE DOWNTOWN.

21 AND ONE THING I DIDN'T SAY TODAY, WHICH I
22 AVOIDED, WAS EXPORT FEE. IT'S NOT ABOUT EXPORT FEE.
23 EXPORT FEE SHOULDN'T REALLY HAVE BEEN BROUGHT UP BECAUSE
24 IT'S NOT REALLY THE CONCEPT YOU ARE TRYING TO ACHIEVE.
25 IT'S ABOUT FEE EQUITY, ABOUT FEE COLLECTION, AND ALL THE

1 POLICIES REGARDING THE EXPORT OF WASTE, BUT NOT ABOUT
2 EXPORT FEES. THAT'S MY TESTIMONY. THANK YOU.

3 CHAIRMAN PENNINGTON: OKAY. ANY QUESTIONS OF MR.
4 EVAN EDGAR? THANK YOU. AND PAM BENNETT FROM SAN
5 BERNARDINO COUNTY.

6 MS. BENNETT: GOOD AFTERNOON, CHAIRMAN. MY NAME
7 IS PAM BENNETT. I'M THE CHAIR OF THE CCDEH SOLID WASTE
8 COMMITTEE. BUT SINCE OUR COMMITTEE DOESN'T MEET UNTIL
9 TOMORROW, I'M HERE REPRESENTING THE LEA FROM SAN BERNARDINO
10 COUNTY. I'M PROBABLY THE ONLY REGULATOR YOU WILL HEAR FROM
11 TODAY.

12 AND I WAS INTERESTED TO HEAR EARLIER THAT
13 THERE WAS CONCERN ABOUT THE CIWMB AND THE LEA'S WORKING
14 TOGETHER. AND I'M HERE TO SAY THAT WE ARE WORKING WELL
15 TOGETHER THROUGH PARTNERSHIP 2000. WE'VE WORKED EVEN MORE
16 CLOSELY IN THE LAST FEW MONTHS.

17 IN ADDITION TO THE LEA, OUR COUNTY IS ALSO AN
18 ENVIRONMENTAL HEALTH REGULATOR, REGULATING FOOD
19 ESTABLISHMENTS, SWIMMING POOLS, AND OTHER WATER SYSTEMS.
20 AND FOR THE LAST EIGHT OR NINE YEARS, WE'VE BEEN A HUNDRED
21 PERCENT FEE SUPPORTED. THAT MEANS WE'VE HAD TO GO IN AND
22 REALLY INTENSELY LOOK AT WHO PAYS FOR WHAT TYPE OF
23 REGULATIONS THAT WE DO. AND THIS IS VERY SIMILAR EXCEPT
24 THAT YOU ARE ALSO PROVIDING NOT ONLY REGULATIONS BUT ALSO

1 GRANTS.

2 SO WHAT WE'VE HAD TO DO, AND I WOULD SUGGEST
3 THAT IT WOULD BE HELPFUL, IS TO REALLY EVALUATE AND
4 DOCUMENT THE VALUE OF THE OPERATIONS THAT YOU PROVIDE PRIOR
5 TO DISPOSAL. AND WE JUST WENT THROUGH A FEW OF THOSE
6 IDEAS: RECYCLING EDUCATION, THE GRANTS FOR THE HOUSEHOLD
7 HAZARDOUS WASTE AND THE OIL, THE TIRES, THE PLASTIC, THE
8 PAPER FOR NEW MARKET DEVELOPMENT, THE EDUCATION EVEN TO
9 MANUFACTURERS TO REDUCE EXCESS PACKAGING. ALL OF THAT
10 BENEFITS THE HAULERS AND SOME OF THE OTHER PEOPLE SO THAT
11 THEY HAVE LESS VOLUME TO DISPOSE OF AT THE END.

12 SO WITH SO MANY ASPECTS OF CIWM PROGRAMS THAT
13 BENEFIT REDUCTION IN WASTESTREAM -- OF THE WASTESTREAM,
14 THAT THE CONSIDERATION IS REALLY CRITICAL AT THE POINT OF
15 COLLECTION OF THESE FEES. I THANK YOU. ANY QUESTIONS?

16 CHAIRMAN PENNINGTON: THANK YOU. ANY QUESTIONS OF
17 MS. BENNETT? OKAY. THANK YOU VERY MUCH. MR. CHANDLER.

18 MR. CHANDLER: MR. EDGAR, I THINK, MADE A GOOD
19 POINT EARLIER WHEN HE TALKED ABOUT THE WIDELY VASCILLATING
20 PROJECTIONS THAT WE'VE SEEN IN THE PAST AS TO WHAT WE SEE
21 ON THE HORIZON AS IT RELATES TO THE AMOUNT OF WASTE BEING
22 EXPORTED. AND I KNOW THAT SEVERAL WEEKS AGO MUCH WAS IN
23 THE PAPER ABOUT THE CITY OF SACRAMENTO'S DECISIONS TO LOOK
24 AT A NEW HAULING AGREEMENT AND WHERE THAT WASTE ULTIMATELY
25 MIGHT BE DISPOSED OF. AND I SEE GARY VANDORST IN THE

1 AUDIENCE, AND I'D LIKE TO JUST TAKE THE OPPORTUNITY TO ASK
2 THE CITY OF SACRAMENTO IF THEY COULD PROVIDE THE BOARD AN
3 UPDATE ON WHERE WE ARE HERE IN THIS OUR OWN COMMUNITY.

4 THOSE NUMBERS ALONE, I THINK, WOULD DOUBLE
5 THE PROJECTIONS WE HEARD FROM STAFF EARLY THIS MORNING, SO
6 IF YOU WOULDN'T MIND, MR. CHAIRMAN, IF THERE'S NO MORE
7 SLIPS, I'D LIKE TO ASK THE CITY --

8 CHAIRMAN PENNINGTON: CERTAINLY.

9 MR. CHANDLER: -- FOR A BRIEF UPDATE ON WHERE WE
10 ARE WITH THE CITY'S EFFORTS TO SECURE A HAULER AND WHAT IS
11 THE INTENDED DISPOSAL LOCATION OF THAT WASTE?

12 CHAIRMAN PENNINGTON: YES, WE WOULD LIKE TO HEAR.

13 MS. SWARTZ: I'M REINA SCHWARTZ, THE SOLID WASTE
14 MANAGER FOR THE CITY OF SACRAMENTO. GARY IS ALSO HERE, SO
15 IF THERE'S ANYTHING I CAN'T SPEAK TO, GARY CAN CERTAINLY
16 DO
17 SO.

18 THE CITY COUNCIL TOOK ACTION IN DECEMBER IN
19 THIS LONG PROCUREMENT PROCESS WE'VE BEEN GOING THROUGH TO
20 PICK A SOLE POTENTIAL VENDOR FOR THE CITY, THAT IS, BLT
21 ENTERPRISES, AND BASICALLY MOVE THAT PROJECT INTO
22 ENVIRONMENTAL REVIEW. THAT'S ABOUT IT FOR WHAT WE'VE
23 TAKEN

24 ACTION ON TO DATE.

25 THE QUESTION OF THE LANDFILL, WE HAVE THREE
26 LANDFILL OPTIONS, IF YOU WILL, THAT WERE PROPOSED AS PART

25 OF A PACKAGE WITH BLT ENTERPRISES. TWO OF THOSE LANDFILLS
39

1 ARE WITHIN CALIFORNIA; ONE OF THEM IS OUTSIDE OF
2 CALIFORNIA. THE ULTIMATE DECISION ON LANDFILL AND ON MODE
3 OF TRANSPORTATION TO THE LANDFILL, WHETHER IT BE BY TRUCK
4 OR BY RAIL, WILL BE MADE AFTER THE ENVIRONMENTAL REVIEW
5 PROCESS IS COMPLETE ON THE PROJECT AS A WHOLE IN PART
6 BECAUSE OF THE MODE OF TRANSPORTATION ISSUE.

7 DEPENDING ON HOW THE ENVIRONMENTAL ANALYSIS
8 OF THE TRUCK VERSUS RAIL VERSUS ALTERNATIVE FUELS VEHICLES
9 COMES OUT, ONCE YOU PICK UP ON WHICH MODE OF TRANSPORTA-
10 TION, YOU MAY OR MAY NOT LIMIT THE LANDFILLS THAT YOU CAN
11 GO TO AMONG THOSE THAT ARE PART OF THOSE PACKAGES. I'D
12 EXPECT THE COUNCIL TO BE TAKING ACTION ON THE CONTRACT
13 PROVISIONS, THE ENVIRONMENTAL DOCUMENTS, AND MOVING
FORWARD

14 WITH THE PROJECT IN SOMETIME NEXT SUMMER. AND SO THAT'S
15 WHEN THE DEBATE WILL REOCCUR, IF YOU WILL, AROUND THE
16 LANDFILL ISSUE.

17 THE CITY, AS YOU KNOW OR MAY HAVE TALKED --
18 AND I APOLOGIZE I WAS LATE INTO THE MEETING HERE -- IS
19 ABOUT 135, 140,000 TONS A YEAR, DEPENDING ON OUR
COMMERCIAL

20 TONNAGE. AND SO THAT'S THE WASTESTREAM THAT WE'RE TALKING
21 ABOUT. PRIMARILY THAT'S OUR RESIDENTIAL TONNAGE WITHIN
THE
22 CITY.

23 MR. CHANDLER: THANK YOU.

24 CHAIRMAN PENNINGTON: VERY GOOD. YES, THANK YOU.

25 OKAY. WELL, IT'S TIME FOR US TO DISCUSS THIS WHOLE THING,

1 I GUESS. MR. JONES.

2 MEMBER JONES: WELL, YOU KNOW, I THINK IT'S CLEAR
3 THAT WE DO NEED TO HAVE A WORKSHOP. I WAS GLAD TO HEAR
4 SOME OF THE COMMENTS. THIS IS NOT A SIMPLE ISSUE. I MEAN
5 THE POINT OF COLLECTION AND HOW WE ARE GOING TO TRY TO
6 FIGURE OUT AN EQUITABLE WAY TO COLLECT FEES IS GOING TO
7 TAKE AN AWFUL LOT OF BRAINSTORMING HOPEFULLY WITH THE
8 PARTICIPANTS THAT ARE IN THIS ROOM AND PROBABLY A FEW MORE.

9 IT -- WHAT BOTHERS ME OR WHAT IS THAT THERE
10 WAS -- DOESN'T BOTHER ME THAT THERE WAS DISCUSSION ABOUT
11 THE SERVICES THAT ARE PROVIDED BY THE WASTE BOARD OR
12 THROUGH THE GRANTS AND THOSE TYPES OF THINGS. WHAT BOTHERS
13 ME IS THAT AS WE'RE MORE SUCCESSFUL IN OUR -- AND OUR
14 FUNDING KEEPS GOING DOWN AND DOWN AND DOWN, THOSE
15 JURISDICTIONS THAT AREN'T PAYING INTO THE -- INTO THIS FEE,
16 WHEN WE TURN AROUND AND HAVE TO RAISE THE RATE TO A BUCK
17 40, WHICH WE CAN DO UNDER STATUTE TODAY, AND THAT DOESN'T
18 COVER THE BILL AND WE HAVE TO GO BACK OUT AND GO TO THE
19 LEGISLATURE AND ASK THEM TO RAISE THE RATE, PEOPLE ARE
20 GOING TO BE SCREAMING. AND I DON'T THINK THAT'S GOOD
21 GOVERNMENT TO WAIT UNTIL WE HAVE A DISASTER TO TRY TO COME
22 UP WITH A SOLUTION.

23 I THINK IT'S -- I THINK IF WE DEAL WITH IT
24 NOW AND WE GET THE INPUT FROM EVERYBODY NOW IN WORKSHOPS

25

WHERE IT IS FAIR, AND I THINK THE NUMBER, WHEN MS. HUNTER

41

1 WAS TALKING ABOUT THE -- AND A FEW OTHERS -- WERE TALKING
2 ABOUT THE REDUCTION IN FEE, IF YOU WERE -- IF YOU DID NOT
3 HAVE A LANDFILL ACTIVE I THINK WAS ABOUT 9 CENTS A TON, IF
4 I'M NOT MISTAKEN. I THINK IT WENT FROM A \$1.34 DOWN TO A
5 \$1.25 OR 23 OR WHATEVER. AND I THINK THAT THAT WAS -- YOU
6 KNOW, IT TOOK OUT THOSE DOLLARS THAT WERE GOING TO BE

SPENT

7 FOR ACTUAL LANDFILL INSPECTIONS. WHERE WE'RE GOING TO
8 COLLECT THAT AND HOW WE'RE GOING TO DO THAT, I THINK, IS
9 GOING TO REALLY TAKE SOME ALLDAY SESSIONS OF PEOPLE COMING
10 UP WITH IDEAS BECAUSE IT IS -- I DON'T THINK WE WANT TO
ADD

11 A LAYER OF BUREAUCRACY BY ADDING PAPERWORK, YOU KNOW, AND
12 TRYING TO FIGURE THOSE THINGS OUT.

13 SO I MEAN WE'RE GOING TO NEED THE LEAGUE,
14 WE'RE GOING TO NEED CSAC, WE'RE GOING TO NEED SWANA, WE'RE
15 GOING TO NEED THE PEOPLE THAT HAVE THAT CONNECTION TO THE
16 CITIES TO FIGURE OUT WHAT THEY CAN BRING TO THE TABLE TO
DO

17 THIS EASIER. I MEAN A LONG TIME AGO, AND I'M NOT ASKING
US

18 TO GO THERE, BUT THERE'S A LOT OF PEOPLE IN THIS ROOM THAT
19 REMEMBER A LONG, LONG TIME AGO WHEN THE LEGISLATURE WAS
20 TALKING ABOUT A FEE AT THE CAN ON THE CURB TO FUND A LOT

OF

21 THESE THINGS. I MEAN THAT WAS 20 SOME YEARS AGO AND IT

GOT

22 KNOCKED DOWN. I DON'T WANT TO GO THERE, BUT I THINK WE

23 NEED TO GET CITIES' AND COUNTIES' INPUT AND TRY TO FIGURE

24 OUT, YOU KNOW, HOW WE CAN -- HOW WE CAN FUND THESE THINGS

25 BECAUSE THE LEA GRANTS ARE CRITICAL, ESPECIALLY TO A LOT

OF

1 RURAL JURISDICTIONS.

2 THE 2136 DOLLARS THAT WE HAVEN'T EVEN TALKED
3 ABOUT, THE TIRE CLEANUPS, THE ILLEGAL DUMPING THAT GOES ON
4 THROUGHOUT THE STATE, WHEN I WAS OPPOSED TO THIS FEE, JESS
5 LOOKED AT ME AND SAID, "STEVE, DO YOU REALIZE WHERE WE
6 SPEND THE MONEY AROUND HERE?" WE SPEND A LOT OF IT IN
7 RURAL CALIFORNIA, YOU KNOW, AND THERE NEEDS TO BE AN
8 EQUITY. AND AT THE TIME I WAS PRETTY CONVINCED THAT I WAS
9 RIGHT, AND RIGHT NOW I'M PRETTY CONVINCED THAT I PROBABLY
10 DIDN'T LOOK AT THE WHOLE THING EXACTLY RIGHT. BUT YOU KNOW
11 YOU DO WHAT YOU GOT TO DO.

12 SO I'D LIKE TO HEAR WHAT THE OTHER BOARD
13 MEMBERS THINK, BUT I THINK WE NEED TO GO FORWARD IN THESE
14 WORKSHOPS. I THINK WE'RE CAPABLE OF DEALING WITH A LOT OF
15 ISSUES AT ONE TIME. AND THIS IS JUST ONE ON THE PLATE THAT
16 I THINK IS -- I WOULD RATHER SEE IT FIXED NOW BEFORE IT
17 BECOMES A REAL DISASTER WHERE WE HAVE EVERY CITY AND COUNTY
18 AND HAULER IN THE STATE READY TO KILL US.

19 CHAIRMAN PENNINGTON: MRS. GOTCH.

20 MEMBER GOTCH: I WOULD JUST LIKE TO MIRROR WHAT
21 MR. JONES SAID, AND I'D ALSO LIKE TO THANK THOSE WHO MADE
22 THE COMMENTS TODAY. I THINK WE HAVE A LOT OF GOOD
23 INFORMATION TO WORK ON, AND I AGREE OUR NEXT STEP IS TO
24 MOVE FORWARD WITH THIS WORKSHOP. AND I'M READY TO MAKE A

25

MOTION WHEN YOU ARE.

43

1 WELL, I'LL MOVE THAT WE DIRECT STAFF TO PLAN
2 THE WORKSHOP CENTERED AROUND THE POINT OF COLLECTION OF THE
3 IWMB AND TAKE INTO CONSIDERATION THE COMMENTS AND INCLUDE
4 THE COMMENTS THAT WE HEARD TODAY FROM THE DIFFERENT
5 INTERESTED SPEAKERS.

6 MEMBER JONES: I'LL SECOND THAT. I'D LIKE TO ASK
7 A QUESTION OF THE MOTION MAKER. THE MOTION IS TO JUST PUT
8 TOGETHER THE STRUCTURE FOR A WORKSHOP AND INVITE THESE
9 FOLKS AND TO A DATE OR COUPLE OF DATES, WHATEVER.

10 MEMBER GOTCH: CORRECT.

11 MEMBER JONES: YEAH, ABSOLUTELY.

12 MEMBER GOTCH: SHALL WE TAKE A LOOK AT THE DATE AT
13 THIS POINT?

14 CHAIRMAN PENNINGTON: WE COULD, BUT IT MIGHT BE
15 BETTER FOR THE STAFF TO HAVE AN OPPORTUNITY TO LOOK AT THE
16 COMMENTS AND GO THROUGH THE PAPERWORK AND THEN SET A DATE.

17 MEMBER GOTCH: SOUNDS GOOD.

18 CHAIRMAN PENNINGTON: OKAY.

19 UNIDENTIFIED SPEAKER: SORRY YOU ARE NOT GOING TO
20 BE ABLE TO TAKE ANY ACTION ON THIS ITEM AS IT'S ONLY A
21 DISCUSSION ITEM AS NOTICED.

22 MEMBER JONES: WE DON'T HAVE TO TAKE A MOTION.
23 YOU ARE THE CHAIRMAN OF THE BOARD. YOU CAN TELL THEM TO
24 SET UP A WORKSHOP. HOW'S THAT? GIVE DIRECTIONS.

25 CHAIRMAN PENNINGTON: RALPH, HAVE A WORKSHOP.

1 MR. CHANDLER: WE'LL DO THAT. AND I THINK THE
2 COMMENTS WE HEARD TODAY, I'D LIKE TO COME TO THAT WORKSHOP
3 A LITTLE BIT MORE PREPARED ON JUST PROVIDING THE WORKSHOP
4 PARTICIPANTS WITH A GOOD DISPLAY OF JUST WHERE OUR DOLLARS
5 ARE CURRENTLY GOING.

6 WE'VE HEARD THE NUMBER 6, 7 PERCENT. WE NEED
7 TO UPDATE THAT FIGURE. I WAS INTRIGUED BY THE COMMENT THAT
8 PERHAPS THERE SHOULD BE A DISCUSSION OF WHAT THINGS COULD
9 WE DO WITH INTERNAL POLICIES WITH REGARD -- WITHOUT HAVING
10 TO GO TO LEGISLATION. I THINK WE CAN LOOK AT A FEW AREAS
11 THERE AND MAYBE PUT A FEW IDEAS FOR DISCUSSION OUT ON AREAS
12 WHERE, IN ADDITION TO LOOKING AT ANY LEGISLATIVE FIXES,
13 WHAT ARE SOME OF THE EXISTING POLICIES. AND THEN
14 LEGISLATIVELY, BESIDES LOOKING AT JUST THE FEE ITSELF AND
15 ANY POINT OF COLLECTION, WE'VE GOT LEGISLATIVE REQUIREMENTS
16 THAT, FOR EXAMPLE, REQUIRE A \$5 MILLION TRANSFER TO OUR
17 LOAN PROGRAM, BUT DO NOT REQUIRE A \$5 MILLION TRANSFER TO
18 THE 2136 PROGRAM. SO THERE ARE OTHER LEGISLATIVE
19 CONSTRAINTS, IF YOU WILL, OR PROVISIONS THAT WE OPERATE
20 UNDER TODAY THAT WE CAN ALSO BE DISCUSSING AS TO WHAT KINDS
21 OF FLEXIBILITY DO WE WANT TO BE LOOKING AT DOWN THE ROAD AS
22 IT RELATES TO HAVING MONIES AVAILABLE.

23 BUT I DO AGREE THAT THE NO. 1 ISSUE IS AN
24 EQUITY ISSUE, AND THAT'S WHERE WE'LL FOCUS OUR ENERGIES
25 FIRST, AND THEN WE'LL COME PREPARED TO LOOK AT SOME OF THE

1 BROADER, PERIPHERAL ISSUES AS WELL.

2 I THINK IF WE HAD TEN DAYS TO KIND OF MULL
3 THIS AROUND, I CAN GET BACK TO YOU, MR. CHAIRMAN, WITH THE
4 DATE THAT I THINK IS APPROPRIATE, AND WE CAN FIND OUT THE
5 APPROPRIATE WAY TO PUBLICIZE THAT DATE. PERHAPS AT THE
6 BOARD MEETING THIS MONTH I CAN IN MY DIRECTOR'S REPORT
7 INDICATE A DATE THAT WE'VE SETTLED ON FOR THE WORKSHOP, BUT
8 LET ME HAVE SOME TIME WITH STAFF TO SEE HOW MUCH PREWORK
9 TIME WE NEED TO PUT ON A GOOD WORKSHOP.

10 CHAIRMAN PENNINGTON: FINE. WE HAVE A MAILING
11 LIST TOO THAT WE CAN MAIL TO. SO WE GOT THE WORD OUT
12 FAIRLY WELL TODAY.

13 MEMBER JONES: MR. CHAIRMAN.

14 CHAIRMAN PENNINGTON: YES, MR. JONES.

15 MEMBER JONES: JUST ONE THING. WHEN YOU ARE
16 TRYING TO FIGURE OUT A DATE, THERE'S SO MANY THINGS GOING
17 ON IN THE STATE, WE DON'T WANT TO BE IN CONFLICT WITH LIKE
18 AN RSU MEETING OR A, YOU KNOW, ANY OF THOSE OTHER NICE
19 THINGS THAT HAPPEN THAT A LOT OF OUR PARTICIPANTS WOULD BE
20 AT TRYING TO PROTECT THEIR INTERESTS THERE. SO, YOU KNOW,
21 I'D HOPE THAT IF THERE ARE -- I'M SURE THERE'S CALENDARS
22 THAT CAN LET US KNOW. YOU KNOW, THERE'S BEEN TWO PRETTY
23 GOOD, PRETTY CRITICAL MEETINGS THAT WE HAVE HELD WITHIN THE
24 LAST COUPLE OF MONTHS WHERE PARTICIPANTS, AND ONE OF THEM
25 WAS ON THE TIERED PERMITTING, WHICH WAS A STANDARD MEETING

1 FOR US, WHERE A LOT OF THE PARTICIPANTS WOULD HAVE BEEN
2 ABLE TO BRING ISSUES FORWARD ENDED UP HAVING TO LEAVE TO GO
3 DEAL WITH AN RSU ISSUE. AND SO I THINK WE NEED TO JUST BE
4 AWARE OF SOME OF THOSE, AND I KNOW WE ARE, ESPECIALLY WITH
5 THIS GROUP. I MEAN WE NEED TO BE AWARE OF SOME OF THOSE
6 THINGS.

7 CHAIRMAN PENNINGTON: OKAY. ONCE AGAIN, I WANT TO
8 THANK ALL OF YOU FOR COMING. I ALSO WANT TO THANK YOU FOR
9 YOUR THOUGHTFUL COMMENTS AND DIRECTION FOR US TO LOOK AT,
10 AND WE WILL SEE YOU AT A WORKSHOP IN A TIME IN THE NEAR
11 FUTURE.

12 MEMBER JONES: IS THERE OPEN DISCUSSION? I JUST
13 WANT TO -- I JUST WANT TO SAY ONE THING, MR. CHAIRMAN. A
14 YEAR AGO TODAY ON JANUARY 6TH I WAS SWORN IN HERE BY PETER
15 ROONEY AND THE SECRETARY. AND I GOT TO TELL -- WAIT.
16 WAIT. WAIT. I JUST WANTED TO SAY THAT THIS HAS BEEN A
17 GREAT YEAR, AND I'VE REALLY ENJOYED WORKING WITH THE
18 STAKEHOLDERS. I'VE REALLY ENJOYED WORKING WITH THIS BOARD
19 AND WITH THE STAFF, AND I GOT TO TELL YOU I HAVE A LOT MORE
20 APPRECIATION FOR GOVERNMENT THAN I DID BEFORE. NOT SURE I
21 AGREE WITH ALL OF IT, BUT I DO WANT TO SAY ON MY ONE-YEAR
22 ANNIVERSARY THAT I APPRECIATE WORKING WITH ALL OF YOU.

CHAIRMAN PENNINGTON: WELL, MR. JONES, IT'S A
PLEASURE HAVING YOU HERE, AND IT HAS BEEN A SUCCESSFUL
YEAR. AND I'M SORRY THAT WE'RE LOSING ONE OF OUR BOARD

1 MEMBERS THE END OF THIS MONTH, BUT IT IS A PLEASURE TO HAVE
YOU HERE.

MEMBER JONES: THANK YOU.

CHAIRMAN PENNINGTON: WE'RE ADJOURNED.

(END OF PROCEEDINGS.)

